

Following is a summary of important business news published in the leading daily newspapers of Bangladesh. For the complete news, please follow the online link given below each news. Please note that the news summary doesn't reflect the opinion of BRAC EPL Stock Brokerage Limited.

Macro:**BB eases cap on lending interest after 31 months**

- The Bangladesh Bank has decided to raise the interest rate on consumer loans to 12% from 9% after economists have long called for the withdrawal of the cap on all loans to contain inflation.
- As per a central bank instruction aimed at supporting the fast-growing economy, accelerating industrialisation and keeping the cost of funds lower for borrowers, banks have been maintaining the 9% interest rate on all loans except for credit cards since April 2020.

<https://www.thedailystar.net/business/economy/news/bb-eases-cap-lending-interest-after-31-months-3161636>

Govt to buy 115,000 tonnes of fertilisers

- The cabinet committee on government purchase (CCGP) yesterday gave the nod to buy 115,000 tonnes of fertiliser from two Middle Eastern countries to increase fertiliser stock for producing crops in the coming seasons. Of the amount, the UAE-based Fertiglobe Distribution Ltd, will supply 60,000 tonnes of granular urea at USD 626.67 per tonne to the Bangladesh Chemical Industries Corporation (BCIC) under the industries ministry.

<https://www.thedailystar.net/business/economy/news/govt-buy-115000-tonnes-fertilisers-3160196>

Will US, UK policy rate hikes cause pain in Bangladesh?

- The United States and the United Kingdom continue to jack up their respective policy rates, but their battle to control prices is causing economic and financial pain in many developing economies around the world, including Bangladesh.
- The strong dollar and pound put other currencies in a lose-lose: fight inflation along with slow growth, or allow prices to continue soaring. Economists and bankers think that Bangladesh's export earnings, remittances, foreign direct investment (FDI) and trade finance would be affected owing to fallouts from the policy rate hikes.

<https://www.tbsnews.net/analysis/will-us-uk-policy-rate-hikes-cause-pain-bangladesh-525950>

US firms keen to explore renewable energy in Bangladesh

- United States (US) Ambassador Peter Hass has said the American companies are very interested to explore clean and renewable energy opportunities in Bangladesh while Washington DC has been providing support to them in this regard.
- "We (the US government) will be here and our companies will be here, and we as a government do anything to support them," he said.

<https://thefinancialexpress.com.bd/economy/us-firms-keen-to-explore-renewable-energy-in-bangladesh-1667479617>

Harnessing fintech and mobile financial services to fight against imminent global recession

- While still struggling with the coronavirus pandemic, the world is facing another round of challenges in the form of economic depression. The World Bank has already predicted a strong possibility of global recession in the coming year due to a rapid deterioration of growth prospects, coupled with rising inflation and tightening financial conditions.

<https://www.tbsnews.net/economy/harnessing-fintech-and-mobile-financial-services-fight-against-imminent-global-recession>

Bangladesh, Vietnam eye USD 2.0 Bn trade in 2023

- Vietnamese Ambassador to Bangladesh Pham Viet Chien has expressed optimism that the bilateral trade between the two countries will reach USD 2.0 Bn mark in 2023 when the two countries will celebrate 50 years of diplomatic relations.
- In the first nine months of 2022 calendar year, the bilateral trade turnover between the two countries has reached USD 1.1 Bn and it is expected to reach USD 1.5 Bn by end of December.

<https://thefinancialexpress.com.bd/economy/bangladesh-vietnam-eye-20b-trade-in-2023-1667482449>

IMF team for fresh hike in fuel oil prices, cutting energy subsidies

- The visiting team of the International Monetary Fund (IMF) on Thursday suggested the authorities concerned adjust the prices of fuel oils and reduce energy subsidies to cut government spending on this sector, sources said. It put forward the same recommendations in two separate meetings with Energy Division Secretary Mahub Hossain and Bangladesh Petroleum Corporation (BPC) Chairman A B M Azad.

<https://thefinancialexpress.com.bd/economy/imf-team-for-fresh-hike-in-fuel-oil-prices-cutting-energy-subsidies-1667530206>

State lenders asked to improve health as IMF raises concerns

- The Bangladesh Bank yesterday asked four state-owned commercial banks to improve their financial health by containing defaulted loans and broadening capital base after the International Monetary Fund (IMF) expressed concerns about their weak conditions.
- It came at a meeting between the managing directors of the four banks – Sonali, Janata, Agrani and Rupali – and central bank officials at the BB headquarters in Dhaka in presence of Governor Abdur Rouf Talukder.

<https://www.thedailystar.net/business/economy/news/state-lenders-asked-improve-health-imf-raises-concerns-3160186>

Islamic banking poised to expand

- Islamic banking is set to grow from the current level in Bangladesh, which will offer a huge opportunity to banks and financial institutions and accelerate financial inclusion, said Sabbir Ahmed, head of retail banking of Standard Chartered Bangladesh.
- At present, the Islamic banking segment constitutes 28% of the market. But Bangladesh is home to the world's fourth largest Muslim population, meaning that the scope to develop Islamic banking is huge.

<https://www.thedailystar.net/business/economy/news/islamic-banking-poised-expand-3159321>

War bites into Bangladesh corporate earnings

- Bangladeshi corporations that showed tremendous resilience during their recovery from pandemic shocks are now in a tight spot because of the Russian-Ukraine war that broke out at the end of February.
- The fallout from the war – a combination of such critical elements such as the energy crisis, soaring prices of raw materials, rising dollar prices, inflation and interest rates – is feared to be brewing a "perfect storm" for all economies, including Bangladesh and it has already begun to bite into the profitability of local businesses, say industry people.

<https://www.tbsnews.net/economy/war-bites-bangladesh-corporate-earnings-525238>

Farming may up by 7% on weather forecast

- Bangladesh can increase its crop production by at least 7.0% through using weather forecast, experts made this point while talking to The Financial Express. They also noted that farmers can raise their income by at least 30% by using weather forecast in this direction.

<https://thefinancialexpress.com.bd/economy/farming-may-up-by-70pc-on-weather-forecast-1667532535>

Container handling at Ctg port sees continuous fall for three months

- Revenue collection at Chattogram Customs House has declined as container handling through Chattogram port has been decreasing continuously for the last three months. Traders say that the economic turmoil triggered by the Covid-19 pandemic, dollar crisis and the Russia-Ukraine war has resulted in the fall in export and import volumes.
- As per data revealed by the port authorities, in August 2022, around 0.115 Mn TEUs (twenty-foot equivalent units) of import containers and 75,697 TEUs of export containers were handled in the port.

<https://www.tbsnews.net/economy/container-handling-ctg-port-sees-continuous-fall-three-months-525162>

F-commerce plagued by three-pronged crisis

- Many Facebook-based platforms, which have sprouted in Bangladesh since the beginning of the coronavirus pandemic, are struggling to survive owing to the spike in raw material prices and decline in sales amid the global economic downturn.
- The soaring dollar price is also a big headache for them as they have to pay more to buy the American greenback needed to make payments in a bid to boost their posts on their Facebook pages, reach more people and promote their products and services.

<https://www.thedailystar.net/business/economy/news/f-commerce-plagued-three-pronged-crisis-3160201>

Mismatch deemed linked with forex flight

- The correlation between manpower export and remittance inflow shows a mismatch in recent months, arousing apprehension about misdirection of foreign currencies earned by the expatriates.
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<https://thefinancialexpress.com.bd/economy/mismatch-deemed-linked-with-forex-flight-1667616422>

Stocks:**GPHISPAT | GPH launches high-grade steel rebar**

- GPH Ispat Limited, a steel manufacturer in Bangladesh, yesterday launched its high-grade steel rebar product, which will be used in the country's mega construction projects. GPH Quantum B600C-R steel rebar is the first of its kind in Bangladesh.
- High-grade steel rebars are stronger than other products of this variety and are more cost-effective as it reduces rod usage in construction by up to 30%. In addition, the use of the rebar will reduce the column section sizes, which increase the floor space of the infrastructure being built.

<https://www.thedailystar.net/business/economy/news/gph-launches-high-grade-steel-rebar-3161631>

EXCHANGE | BSEC plans case-to-case dealings to get rid of negative equity by 2023

- Nearly 26,612 investment accounts – known as beneficiary owner (BO) accounts – are still in negative equity territory, which means account holders owe money to their brokers or merchant banks. According to data available with the commission, negative equity in the stock market portfolios stood at BDT 46.59 Bn at the end of June 2022.
- Aiming to get rid of the over decade-long burden of negative equity by end-2023, the Bangladesh Securities and Exchange Commission (BSEC) has chalked out a plan to deal with the matter on a case-to-case basis through discussions with brokerage firms.

<https://www.tbsnews.net/economy/stocks/bsec-plans-case-case-dealings-get-rid-negative-equity-2023-526298>

World Stock and Commodities*

Crude Oil (WTI)*	USD 92.61	USD 17.40	23.14%
Crude Oil (Brent)*	USD 98.57	USD 20.79	26.73%
Gold Spot*	USD 1,681.87	(USD 147.33)	-8.05%
DSEX	6,410.67	-345.99	-5.12%
S&P 500	3,770.55	-995.63	-20.89%
FTSE 100	7,334.84	-49.70	-0.67%
BSE SENSEX	60,950.36	2,696.54	4.63%
KSE-100	41,856.31	-2,739.76	-6.14%
CSEALL	8,491.80	-3,734.21	-30.54%

Exchange Rates**1 US Dollar = 100.63 BDT****1 GBP = 114.51 BDT****1 Euro = 100.39 BDT****1 INR = 1.23 BDT**

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